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Audit's[®] MARKET ANALYSIS OF SECURITIES OF REITS AND REAL ESTATE COMPANIES

SEP 29 1987

Realty Stock Review

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MARKET STRATEGY: ASBESTOS ABATEMENT COMPANIES ADDED AS NEW RSR STOCK GROUP

We are adding this issue five companies with representation in the emerging asbestos abatement industry.

The reasons are simple: the presence of asbestos is fast becoming a major determinant of commercial real estate values and monitoring/removal of asbestos will cost real estate owners an estimated \$100 bil. over the next one to two decades. Some items:

- o Under liability laws, a building owner owns asbestos forever, whether in a building or residing in a landfill. That's why new technologies making asbestos inert and harmless are getting a close look.

- o The Environmental Protection Agency (EPA) will report to Congress in mid-October on its recommendations for dealing with asbestos in commercial buildings. A 1984 EPA survey estimated that 733,000 commercial buildings, or 20%, contained friable asbestos (i.e., asbestos which can be crumbled into fine powder). Many structures built before the mid-1970s contain asbestos fireproofing and/or insulation.

- o EPA's recommendations aren't known but some idea of official concern

can be seen in a New York City law effective April 1 mandating (a) in-depth asbestos inspection before building permits may be issued for demolition or renovation; and (b) licensing of removal contractors and personnel before work is started. Because new tenants often require renovation, the law effectively forces building owners to cope with asbestos whenever spaces become vacant.

- o The presence of asbestos evokes an emotional response, and this emotional response is setting public agendas. In New York, public focus has shifted from schools to commercial buildings, and since New York frequently is a policy trendsetter, its legal stance is already being studied in other cities.

- o A recent survey by Grubb & Ellis, a national real estate broker and manager, found that not one of the 10 largest U.S. property owners, tenants, or mortgage lenders would unhesitatingly buy, lease or lend on asbestos-containing buildings. Four of the top 10 in each group said they would not buy, lease or lend on such buildings, and six would do so only on a conditional basis.

- o Grubb & Ellis says the \$15 to \$35 per sq. ft. removal costs may equal 9%-12% of value of signature buildings but may run up to 40% of value for many smaller, less visible buildings. Some

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ling of contaminated space; scraping of asbestos by workers clad in air-tight "spaceman" type suits; and double-bagging for shipment to landfills which make up 99% of disposal sites.

There are probably 1,500 or so removal contractors nationwide, but 95% or more are small to medium sized companies with less than \$2 mil. annual revenues. The few majors have grown large by acquiring selected local contractors to forge a national team, and this group has the most interest for investors. Here are some special factors to expect:

--No giant companies at this early stage; consolidation clearly has a long way to go in this industry.

--No companies with long track records in asbestos abatement; nearly all are new entrants at this stage.

--Few heavily capitalized companies so far. With bonding and insurance capability clearly crucial in longer-term success, many entrants are flocking to Wall Street to raise money on the basis of high hopes and short track records. They clearly are not asset plays at this point.

In considering investment in this area, keep in mind that this is still a state-of-the-art business, with many entrants on a steep learning curve. Some

PORTFOLIO SELECTOR LIST OF REALTY STOCKS FOR CURRENT INVESTMENT			
OWNERS BY REGION	DIVERSIFIED PROPS.	ENTREPRENEURIAL OWNERS	
<u>Northeast</u>	*Bay Fincl.(9/11/77)		Koger Co.(7/10/77)
Federal Rl.(5/8/77)	First Union RE(3/13/77)	Federal Rlty(5/8/77)	Koger Pr.(8/14/77)
Gould LP (1/9/77)	HRE Props.(3/13/77)	Gould Inv.LP(1/9/77)	LaQuinta LP(11/21/6)
New Plan Rlty(12/5/6)	Mortgage Growth(3/13/77)	Forest City Ent(6/26/77)	MSA Realty(8/14/77)
Penn. REIT (12/5/6)	Property Cap(8/28/77)	Koger Co.(7/10/77)	Rock. Ctr. Pr.(4/24/77)
Presidential Rl.(10/24/6)	Rouse Co. (6/26/77)	Koger Props.(8/14/77)	Trammell Crow (12/19/6)
Prudential Rl.(4/24/77)	Santa Fe SP (7/10/77)	New Plan Rl.(12/5/6)	Turner Equity (4/11/6)
Rockefeller Ctr(4/24/77)	<u>BY PROPERTY TYPE</u>	Perini Inv.Pr.(7/10/77)	<u>NOTABLE NEWCOMERS</u>
Washington REIT(5/8/77)	<u>Shopping Centers</u>	Rouse Co. (6/26/77)	Copley Prop.(6/12/77)
<u>Midwest</u>	Federal Rlty(5/8/77)		Lincoln Rl.(12/20/5)
Bradley RET(11/21/6)	First Union RE(3/13/77)	<u>MORTGAGES - INCOME</u>	Merry Land(2/27/77)
*Chicago Dock(9/11/77)	Intl. Income Pr.(5/8/77)	<u>Fixed-rate</u>	Ridgewood Pr.(2/28/6)
Duke Rlty. (6/26/77)	IRT Prop.(3/13/77)	BRT Realty(10/10/6)	Trammell Crow(12/19/6)
EQK Realty(5/8/77)	New Plan Rl.(12/5/6)	Cenvill Inves.(4/11/6)	Weingarten Rl.(5/8/77)
Forest City En.(6/26/77)	Rouse Co.(6/26/77)	Lomas Mtg. Cp(9/13/5)	<u>FINANCIAL SERVICE</u>
MSA Realty (8/14/77)	Weingarten Rl.(5/8/77)	MDC Asset Inv.(1/9/77)	Ameribanc Inv.Gr.(8/28/77)
<u>South/Southwest</u>	Western Inv.RE(6/12/77)	<u>Participating</u>	Countrywide Cre.(1/9/77)
IRT Prop.Co.(3/13/77)	<u>Offices</u>	L&N Hsg. Corp.(4/11/6)	Hallwood Gr.(2/13/77)
Koger Co.(7/10/77)	HRE Props.(3/13/77)	Lincoln Rlty.(12/20/5)	Lomas & Net.Fin.(9/26/6)
Prop.Tr.Amer.(5/8/77)	ICM Prop.Inv.(4/24/77)	Mellon Part.Mtg	Northeastern Mtg. (5/23/6)
Sizeler Inv.(2/27/77)	Koger Co.(7/10/77)	Mtg.Invest.Plus(4/24/77)	Southmark Corp.(12/5/6)
Trammell Crow(12/19/6)	Koger Pr.(8/14/77)	Realty Stg.(4/24/77)	Unicorp Amer. (7/10/77)
United Dom.Rl.(5/8/77)	Property Cap(8/28/77)	Rock. Ctr.Pr.(4/24/77)	<u>AGGRESSIVE RECOVERY</u>
Weingarten Rl.(5/8/77)	Prudential Rl(4/24/77)	<u>LEASEBACKS - INCOME</u>	Americana Hot(6/12/77)
<u>Far West</u>	Turner Equity (4/11/6)	Beverly Inv.(1/23/77)	*Equitec Fin.(9/11/77)
Bank Am. Rl(11/7/6&6/26/77)	<u>Hotels/Specl.</u>	Health Care REIT(1/23/77)	Fairfield Comm(7/25/6)
Burnham Pac.(7/24/77)	Burger King Inv.(2/28/6)	Health Care Pr.(1/23/77)	Integrated Res.(9/11/77)
Copley Props.(6/12/77)	Hotel Inv.(10/24/6)	Meditrust (1/23/77)	Johnstown Acre.(2/13/77)
REIT of Calif.(6/12/77)	<u>Medical</u>	One Liberty Pr.(6/12/77)	Jolmstown/Consol.Rlty.
Santa Anita Rl.(6/12/77)	Beverly Inv.(1/23/77)	<u>TAX-SHELTERED INCOME</u>	Natl. Enter.(10/10/6)
Western Inv.Tr.(6/12/77)	Health Care REIT(1/23/77)	EQK Green Ac. (8/22/6)	Reading Co.(7/10/77)
	Health Care Pr.(1/23/77)	EQK Rlty. (5/8/77)	Southland Finc.(7/24/77)

* Reviewed in Sept.issues. Additions or changes underlined. # Recent client. Review/comment dates within last year.

barriers to entry:

--Skilled personnel are in short supply.

--Errors in estimating job costs can be devastating (one company lost \$6 mil. on a \$12 mil. contract).

--Contractor bonding is difficult and insurance coverage, when available, is limited only to claims actually made while a policy is in force.

--Regulatory compliance generates awesome paperwork. EPA and the Occupational and Safety Administration (OSHA) require approval and reporting of even relatively small abatement jobs.

We are adding five companies to RSR coverage and dropping four companies (Citizens Growth Props., Homac, Inc., Natl. Capital RE, and U.S. Capital) from coverage as trading markets have shrunk.

Portfolio Selector on page 2 adds four of the new asbestos stocks because we think it very important to take a package approach to the group at this time until longer-term performance becomes clearer. We are also adding **Equittec Financial** to our aggressive recovery group (see RSR, Sept. 11). We are deleting four stocks from Selector: **B.F. Saul** because of limited trading market; **Countrywide Mortgage** and **Strategic Mortgage** to reduce risk to rising rates; and **Radice Co.** because of continued financial deterioration. RI may default on subordinated debt in Oct. Newcomers:

Asbetec Industries Inc. (ASBS -- OTC) is active in a full range of both technical services and removal contracting. Although small, it is growing and has turned profitable. Stock Ranks C.

EPS/Dividends - C (Sept. years):

	1985A	1986A	1987E	3 Yr.%
Rev.Mil..	\$10.4	\$18.0	\$40.0	96%
EPS.....	\$(0.10)	\$(0.04)	\$0.20a	NM%
Dividend.	\$None	\$None	\$None	NM%

a-Incl. E\$0.10 taxloss benefits.

ASBS earned 12¢ in the nine mon. thru June, level with 1986 and including 4¢ from lawsuit settlement and 6¢ from taxloss benefits. Last year's Sept. qtr. suffered from costs of abatement expansion and reserves on receivables.

ASBS revenues have been exploding, due both to internal growth and acquisi-

tions. Revenues of \$29.2 mil. in the 9 mon. thru June rose 127%, mainly reflecting Sept. 1986 acquisition of Applied Consulting Technical Services (ACTS) for \$3.1 mil. On a pro forma basis, ACTS lost \$125,000 (4¢ sh.) on \$19.3 mil. revenues. For 1987, we estimate ASBS revenues will be about 70-75% contract technical services, 18% asbestos removal, and 7-12% asbestos training.

Contract services include site inspections, bulk and air sampling, and assessment of asbestos risks found. ASBS operates an industrial hygiene laboratory to assess samples. ASBS also operates Asbestos Training Academy which has trained over 1,000 asbestos removal workers, supervisors, inspectors, and safety technicians. It opened four new offices this year, including its second office in New York. ASBS also provides temporary workers to contractors.

Asbestos removal has grown rapidly from a small base and represents significant potential. However the inherent conflict of doing both contract advisory work and removal may limit this area.

Financial Measures - D: Debt of \$5.1 mil. is 0.8 times \$6.1 mil. equity, or 98¢ per sh. Substantially all debt is bank loans with interest geared to prime. ASBS sold 210,000 sh. at \$4.32/sh. and received \$700,000 from a venture capital firm in June. Insiders own about 50% of shares.

Exposure - D: As befits a growing company, ASBS working capital is stretched and ASBS could use more financing.

Address: 218 Cooper Ctr., Pennsauken, N.J. 08109. Phone: 609/488-9200.

Commodore Environmental Services Inc. (COES - OTC) has grown rapidly via acquisitions since leaving Ch. XI bankruptcy court supervision in April and is the largest removal contractor with \$40-\$50 mil. pro forma annual volume. COES has pending an offering of 8.0 mil. common (2.9 mil. shs. from selling share and warrant holders) and \$40 mil. debentures. We are not ranking shares.

EPS/Dividends (Dec. years):

	1986A	1987E	1988E	3 Yr.%
Rev.-Mil.	\$43.2Ma	\$80.0Ma	NE	NM%
EPS.....	\$0.02	\$0.20	\$0.40	NM%
Dividend.	\$None	\$None	\$None	NM%

a-Pro forma including acquisitions.

Originally a Utah mining company, control of COES passed to two New York City investors, Bentley J. Blum and Paul Hannesson in 1983 when its original bankruptcy plan was approved. Since Dec. 1986 COES has begun building a national network of asbestos abatement companies via these four acquisitions which earned about \$3.5 mil. on \$40 mil. revenues in their latest periods:

o In Dec. 1986 it paid \$15.1 mil. (plus possible \$10 mil. depending on future earnings) to acquire Hesco Environmental Safety and related companies, believed the largest asbestos removal contractors in New York and also active in Mass. Hesco earned \$1.37 mil. on \$13.9 mil. revenues in the nine mon. to Dec. 1986.

o In Dec. 1986 it paid \$10 mil. for AWI Environmental Services and Allwash of Syracuse. AWI and Allwash earned \$1.75 mil. on \$8.2 mil. revenues in '86.

o In July 1987 it exchanged 1.0 mil. shs. for Quality Home Insulation of San Marcos, Cal.; Quality earned \$145,000 on \$5.5 mil. revenues in its Feb. 1987 year.

o It has agreed to acquire P.W. Stephens Contractors of Los Angeles for \$4.1 mil. cash and notes plus 510,000 common shs.; Stephens earned \$218,000 on \$12.5 mil. revenues in its June 1987 year; its principals have agreed to indemnify COES against certain liabilities arising from EPA citations.

Financial Measures: Pro forma the stock and debt offers, COES would have \$48.9 debt, equal to 0.9 times \$52.9 mil. equity or 98¢ per share. Acquisitions have generated about \$31 mil. goodwill, so pro forma tangible book value is about 42¢ sh. Messrs. Blum and Hannesson will own about 63.5% of shs. after the offering.

Exposure: As a former shell now used as an acquisition vehicle, COES has the task of melding formerly disparate units into a real working company.

Address: ;150 E. 58th St., #3400, New York, N.Y. 10155. Ph.: 212/308-5800.

Control Resource Industries, Inc. (CRIX - OTC) is an air filtration system manufacturer which is expanding into engineering and asbestos removal. Shs. Rank C initially.

EPS/Dividends - C (Dec. years):

	1985A	1986A	1987E	3 Yr.%
Rev.-Mil..	\$7.9M	\$22.4M	\$36.0	113%
EPS.....	\$0.33	\$0.22	\$0.05	NM%
Dividend.	\$None	\$None	\$None	NM%

CRIX hit a pothole with a 21¢ sh. loss in the June qtr., result of control problems in one of two recent acquisitions. Management believes these problems have been solved and profits can overcome the 15¢ sh. first half loss.

Assets and Operations: Initially an air filtration system manufacturer, CRIX makes sophisticated equipment for use by asbestos contractors and control of other indoor air pollutants. Its equipment is sold to about 900 asbestos abatement contractors, mostly in the Midwest and Northeast.

CRIX acquired Major Insulators of Denver in March 1986 and Asbestos Elimination Co. of Akron in July 1986. Major lost \$1.05 mil. in the year prior to acquisition on \$3.2 mil. revenues, and AEC earned \$113,000 on \$5.5 mil. revenues in 1985. CRIX paid respectively, \$1.48 mil. in assumption of liabilities; and \$1.32 mil. cash and stock. The two now generate about 70% of CRIX revenues.

In Aug. CRIX formed a joint venture with Bechtel, Inc., worldclass giant in process control contracting. Bechtel-Control Asbestos Management (BCAM) will contract for large-scale asbestos removal projects, both in commercial buildings and industrial plants. CRIX expects its two local removal contractors to be rolled into this unit in 1988. BCAM adds strong project management.

Financial Measures - B: CRIX sold 1.35 mil. shs. at \$21.25 in July to raise \$26 mil., retire all debt, and boost shareholders' equity to \$32.4 mil. or \$6.55/sh. The Bechtel venture should bolster bonding and insurance strength. Management owns about 23.5% of shs.

Exposure - C: The stock sale and Bechtel venture free CRIX from immediate capital worries; the monkey clearly is on management's back to avoid further disappointments and operate profitably.

Address: 670 Mariner Dr., Michigan City, Ind. 46360. Phone: 219/872-8686.

International Technology Corp. (ITX - NYSE) is an environmental management services company now making a major push

into direct abatement and removal work. Long established as a major engineering, emergency decontamination, and disposal company, ITX says asbestos is one of the least hazardous materials it handles. We are ranking shares B. Note: We analyze ITX objectively altho your editor's brother is a regional ITX executive.

EPS/Dividends - B (Mar. years):

	1986A	1987A	1988E	3 Yr.%
Rev.-Mil.	\$234.7M	\$237.1M	\$240.0	1.1%
EPS.....	\$0.56	\$0.28	\$0.45	NM%
Dividend.	\$None	\$None	\$None	NM%

ITX revenue growth has been slowed by permitting issues which held down disposal fees at two of its eight Calif. disposal sites. EPS fell to 3¢ sh. in the June qtr. and stock price weakened.

Transportation, treatment and disposal account for 34% of ITX revenues. Other major revenue sources are: Decontamination and remediation of property, 26%; Engineering assessment and responses to hazardous substances, 25%; Analytical services, 10%; and risk control, 5%. ITX entered direct asbestos abatement in 1987, primarily in industrial settings. It expects to do about \$25 mil. asbestos volume in FY 1988 and build this to \$250 mil. in four years, with much growth from commercial buildings. It targets 20%-25% gross margins.

Financial Measures - B: Total debt of \$113 mil. is 0.85 times \$133 mil. shareholders' equity, equal to \$4.79/sh.

Exposure - C: While large, ITX periodically confronts legal challenges to its operations from both governmental and public interest groups. Coping with these is its major challenge.

Address: 234566 Hawthorne Blvd., Torrance, Cal. 90505. 213/378-9933.

LVI Group, Inc. (LVI - NYSE) is a major interior construction company now expanding into asbestos removal as a natural outgrowth of its contracting. Formerly Lehigh Valley Industries, LVI under new management acquired NICO, Inc., an international interior contracting firm, in 1985. We Rank shs. at B.

EPS/Dividends - B (Dec. years):

	1985A	1986A	1987E	3 Yr.%
Rev.-Mil.	\$50.3M	\$304.4M	\$500M	NM%
EPS-Opr.	\$(0.29)	\$0.11a	\$0.25	NM%
Dividend.	\$None	\$None	\$None	NM%

a-Before 4¢ sh. net special items.

LVI's NICO unit at present generates 95.5% of revenues and perhaps more of profits. NICO does major alterations, renovations and initial installations for large companies and large building owners. It has operated profitably and has management and control systems in place to handle diverse projects in dispersed locations.

In July 1986 it acquired HRF Environmental Services of N.J. and renamed it LVI Environmental Services. LVI plans setting up 15 regional asbestos abatement operations based upon its NICO model of strong project controls. It believes asbestos work can be 20%-25% of revenues in 2-3 years, altho asbestos was only \$3.2 mil. sales thru June 1987.

Financial Measures - B: LVI sold \$23 mil. of 8.25% preferred convertible at \$7.353 per share, in June and is capitalized with \$33 mil. debt, \$23 mil. preferred, and \$21.8 mil. common equity (or \$1.09/sh.). Management owns about 18.7% of shares.

Exposure - B: With a sturdy, liquid balance sheet and established contracting disciplines, LVI could be a winner in asbestos. The preferred (about \$29.50) affords income.

Address: 345 Hudson St., New York, N.Y. 10014. Ph.: 212/337-6000.

APPRAISED ASSET VALUE COMPARISONS

	DATE	APPRAISED VALUE/ SHARE	% PRICE TO APP. VALUE
QUALIFIED REITS			
BANKAMER REALTY	7/87	\$34.75a	-10.8%
COPLEY PROPS #	12/86	\$21.10	-12.9%
DUKE RLY-CAPITAL#	12/86	\$ 1.28	-12.1%
EOK RLY INV I #	12/86	\$18.46	-26.9%
INTL INCOME PR#	12/86	\$15.62	2.4%
JMB REALTY	8/86	\$18.66	-15.6%
MONY RL EST INV	5/87	\$10.79a	-25.9%
NEW PLAN RLY TR#	7/86	\$14.01	9.7%
PRU RL CAPITAL #	12/86	\$ 2.39	-47.7%
SANTA ANITA	6/87	\$26.46	9.6%
SIERRA RE EQ83#	12/86	\$10.52	-14.4%
SIERRA RE EQ84#	12/86	\$ 8.44	-2.3%
TRAML CROW REI#	12/86	\$13.10	-16.0%
USP RL EST INV#	12/86	\$12.48	-25.9%
WELLS FARGO M&E	6/87	\$26.86a	-35.8%
AVERAGE			-15.0%
OPERATING COMPANIES			
BAY FINCL CORP	5/87	\$39.51	-43.4%
KOGER CO#	6/87	\$20.64	41.7%
NEWHALL INV PROP	3/87	\$12.93	-56.5%
NEWHALL LAND	12/86	\$32.25	15.1%
PERINI INV PR#	6/87	\$21.14	-11.9%
ROUSE CO#	12/86	\$24.04	5.0%
SAUL (BF) REIT#	9/86	\$27.12	-32.2%
UNICORP AMER	12/86	\$17.66	-39.8%
AVERAGE			-15.2%

Appraised market values of net assets (i.e., properties held) are reported publicly by companies. Values are estimated by management and concurred in by independent appraisers except for: Koger Co. values set by independent appraisers; New Plan Realty, management estimate only. Share values are fully diluted. a-Entity has not revalued mortgages.

RANK	NAME(REVIEW DATE)	EXCH/ SYMBOL GROUP	SHARES (000)	BOOK VALUE	ANN DIV	-EARNINGS-- MON 12 MO	LAST PRICE	% CHANGE FROM SEP 08 JAN 1	P/E RATIO	% ANN YIELD	% PR TO BK	RETURN ON BKX	MKT VAL MIL \$		
*	AMER HEALTH PROP# (02/27/87)	NY-AHE	1	11086	18.58	2.00	JUN 2.10	16.13	-1.5	-19.4	7.7	12.4	-13.2	11.3	178.8
C	AMERICAN REALTY (12/05/86)	AS-ARB	3	21818	5.45	0.00	JUN 0.49 U	5.50	0.0	37.5	11.2	0.0	0.9	9.0	120.0
C	AMERICANA HOTEL (06/12/87)	NY-AHR	2	5539	15.50	0.00	JUN -0.30	12.88	1.0	22.6	0.0	0.0	-16.9	-1.9	71.3
A	BANKAMER REALTY (11/07/86)	NY-BRE	2	7870	17.56	2.40	S JUL 2.52 D	31.00	1.2	3.8	12.3	7.7	76.5	14.4	244.0
*	BEVERLY INV PROP# (12/20/85)	NY-BIP	1	8195	19.56	2.28	JUN 2.34 U	20.38	-3.0	-19.3	8.7	11.2	4.2	12.0	167.0
*	BODDIE-NOEL PROP# (05/22/87)	AS-BNP	1	2850	11.17	1.20	JUN 1.23	11.63	2.2	-3.1	9.5	10.3	4.1	11.0	33.1
A	BRADLEY RL EST (06/28/85)	OC-BRLYS	1	3360	1.93	0.68	MAY 0.51 U	12.50	-9.1	11.9	24.5	5.4	547.7	26.4	42.0
B	BRT REALTY (10/10/86)	AS-BRT	3	5050	13.73	2.20	JUN 2.21	18.75X	-1.0	24.0	8.5	11.7	36.6	16.1	94.7
B	BURNHAM PAC PROP# (07/24/87)	AS-BPP	1	1491	9.55	1.16	JUN 1.10 U	19.25X	0.2	37.5	17.5	6.0	101.6	11.5	28.7
B	P-CALIF JOCKEY CLUB (11/21/86)	AS-CJ	1	5734	4.57	0.95	JUN 0.92	21.38	23.9	5.6	23.2	4.4	367.7	20.1	122.6
C	CALIFORNIA REI (06/12/87)	NY-CI	1	5125	8.10	0.68	JUN -0.21	6.13X	-1.3	-46.2	0.0	11.1	-24.4	-2.6	31.4
*	F-CEDAR INCOME FD I (01/09/87)	OC-CEDR	1	1440	8.66	0.64	JUN 0.53	8.00	0.0	0.0	15.1	8.0	-7.6	6.1	11.5
*	CENTRAL REALTY (04/11/86)	OC-CMRT	2	1984	0.39	0.00	JUN -0.28 D	0.38	0.0	-20.0	0.0	0.0	-3.8	-71.8	0.7
C	CENVILL INVSTR (09/11/87)	NY-CVI	2	7007	13.20	2.20	JUN 2.22	19.63	0.0	4.0	8.8	11.2	48.7	16.8	137.5
B	CHICAGO DOCK&CANL (02/13/87)	OC-DOCKS	1	5784	6.74	0.24	S JUL 1.11 D	31.00	0.0	42.5	27.9	0.8	359.9	16.5	179.3
C	CLEVELAND TRST RLY (09/11/87)	OC-CTRS	2	2013	17.85	1.00	JUN 0.81	9.25	0.0	-26.0	11.4	10.8	-48.2	4.5	18.6
C	COMMONWHL RLY# (06/12/87)	OC-CTRYZ	1	1468	11.19	1.10	MAY 0.43	15.00X	4.0	11.1	34.9	7.3	34.0	3.8	22.0
*	F-CONSOL CAP INCOME (04/11/86)	OC-CCITS	2	12632	16.91	2.40	S JUN -0.92	9.25X	-6.2	-25.3	0.0	25.9	-45.3	-5.4	116.8
B	CONSOL CAP RLY# (02/13/87)	OC-CCPLS	2	5966	7.75	0.25	MAY 0.58 D	3.50	-3.4	0.0	6.0	7.1	-54.8	7.5	20.9
*	F-CONSOL CAP SPECT (04/11/86)	OC-CCSTS	2	11486	14.00	3.62	S JUN -1.17	7.38X	0.0	-10.6	0.0	49.1	-47.3	-8.4	84.7
*	COLEY PROPS # (06/12/87)	AS-COP	2	4008	18.09	1.68	JUN 1.35	18.38	-3.3	-7.0	13.6	9.1	1.6	7.5	73.6
*	COUNTRYWIDE MTG (01/09/87)	NY-COW	3	7745	11.49	1.60	JUN 1.94	10.13	-9.0	-43.8	5.2	15.8	-11.9	16.9	78.4
A	COUSINS PROPS (12/05/86)	OC-COUS	1	17165	6.45	0.60	JUN 1.30	16.63	0.0	27.9	12.8	3.6	157.8	20.2	285.4
*	F-CPL REIT # (01/24/86)	OC-CNTRS	1	1737	8.70	0.88	JUN 0.99	7.00	12.0	-22.2	7.1	12.6	-19.5	11.4	12.2
*	F-CRI INS MTG II (07/25/86)	NY-CIL	3	8536	18.65	3.56	DEC 1.67	17.13	-5.5	-16.5	10.3	20.8	-8.2	9.0	146.2
B	DEL-VAL FINCL (02/12/86)	NY-DVL	3	3105	9.62	1.80	JUN 1.80	20.25X	-1.1	5.2	11.3	8.9	110.5	18.7	62.9
*	DIAL REIT INC # (01/09/87)	OC-DEAL	1	1738	18.24	1.64	JUN 1.64	20.00	0.0	3.9	12.2	8.2	9.6	9.0	34.8
B	F-DUKE RLY-INCOME# (06/26/87)	NY-DREPR	1	7520	8.00	0.78	JUN 0.81 D	7.25	1.8	-14.7	9.0	10.8	-9.4	10.1	54.5
B	F-DUKE RLY-CAPITAL# (06/26/87)	NY-DRE	1	7520	0.74	0.00	---	0.00	1.13	12.5	0.0	0.0	52.0	0.0	8.5
A	EASTGROP PROPS (03/13/87)	AS-EGP	1	2655	19.38	2.60	S MAY 2.51	25.75	2.0	-7.2	10.3	10.1	32.9	13.0	68.4
B	EASTOVER CORP (05/08/87)	OC-EASTS	2	1258	14.05	1.60	JUN 1.22	14.50	-6.5	-21.1	11.9	11.0	3.2	8.7	18.2
*	F-EQK RLY INV I # (05/08/87)	NY-EKR	1	7589	15.50	1.66	S JUN 1.61 U	13.50X	-0.6	-10.0	8.4	12.3	-12.9	10.4	102.5
A	FEDERAL REALTY# (05/08/87)	NY-FRT	1	13241	9.87	1.20	JUN 1.17 U	22.00X	1.9	10.7	18.8	5.5	122.9	11.9	291.3
C	FIRST CONTNL REIT (08/23/85)	OC-FCRES	3	4103	5.78	0.00	MAY -3.73	3.63	0.0	23.4	0.0	0.0	-37.3	-64.5	14.9
A	FIRST UNION RE# (03/13/87)	NY-FUR	1	18150	9.04	1.50	S JUN 1.63 D	25.25	-0.5	1.0	15.5	5.9	179.3	18.0	458.3
*	GOLDEN CORRAL # (04/11/86)	OC-GCRA	1	1480	9.29	1.25	MAR 1.25	9.88	0.0	-14.1	7.9	12.7	6.3	13.5	14.6
*	F-GRUB&S REIT (06/13/86)	OC-GRIT	4	2500	9.15	0.90	JUN 0.95	7.38	-4.8	-16.9	7.8	12.2	-19.4	10.4	18.4
*	GUILD MTG INVSTMT (07/25/86)	AS-GUM	3	3100	8.78	1.12	D JUN 1.14	7.88X	-6.4	-32.3	6.9	14.2	-10.3	13.0	24.4
*	HARRIS-TETER PRP (08/22/86)	AS-HTP	2	2505	8.03	0.96	S JUN 0.74	9.25	5.7	-14.0	12.5	10.4	15.2	9.2	23.2
*	HEALTH CARE PR# (04/11/86)	NY-HCP	1	8157	21.60	2.48	JUN 2.63	23.75	-8.7	-18.5	9.0	10.4	10.0	12.2	193.7
A	HEALTH CARE REIT (08/09/85)	AS-HCN	3	5691	11.69	1.68	JUN 1.69	16.25	0.8	-1.5	9.6	10.3	39.0	14.5	92.5
*	HEALTHVEST # (06/27/86)	AS-HVT	1	11661	19.73	2.28	JUN 2.35 U	19.25	-1.3	-8.3	8.2	11.8	-2.4	11.9	224.5
*	HLTH & REHAB PRP# (12/19/86)	NY-HRP	2	6835	9.52	1.08	JUN 1.02	9.25	0.0	-4.5	9.1	11.7	-2.8	10.7	63.2
C	HMG PROP INV (03/14/86)	AS-HMG	1	1212	15.85	0.60	JUN -0.17	10.00	3.9	9.6	0.0	6.0	-36.9	-1.1	12.1
C	P-HOLLYWOOD PK RLY (11/16/84)	OC-HTRFZ	1	3824	6.75	0.00	JUN 0.33 D	24.25	-4.9	-9.3	73.5	0.0	259.3	4.9	92.7
B	P-HOTEL INVESTORS# (03/13/87)	NY-HOT	1	12207	17.40	2.00	S MAY 4.02	19.50	-4.3	-12.4	4.9	10.3	12.1	23.1	238.0
A	HRE PROPERTIES (03/13/87)	NY-HRE	1	5952	23.14	1.80	S JUL 1.62 D	20.50	-1.2	-23.4	12.7	8.8	-11.4	7.0	122.0
B	ICM PROP INVSTR (04/24/87)	NY-ICM	2	5761	17.43	1.60	JUN 0.42	14.13	0.0	-3.4	33.6	11.3	-19.0	2.4	81.4
A	INTL INCOME PR# (05/08/87)	AS-IIP	1	11371	8.70	1.04	JUN 0.71 U	16.00	1.6	18.5	22.5	6.5	83.9	8.2	181.9
*	INVMTG SEC# (03/14/86)	OC-INVG	3	682	28.64	0.00	JUN 4.45	7.50	0.0	-34.8	1.7	0.0	-73.8	15.5	5.1
A	IRT PROPERTY CO# (03/13/87)	NY-IRT	1	8052	9.85	1.32	JUN 1.32 U	18.38	0.7	12.2	13.9	7.2	86.5	13.4	148.0
B	JMB REALTY (02/13/87)	OC-JMRS	2	1423	16.85	1.70	MAY 1.36 D	15.75	5.0	-6.0	11.6	8.9	-6.5	8.1	22.4
*	F-JOHNSTWN/CONS RLY (03/22/85)	NY-JCT	2	12280	15.46	1.70	S JUN 0.43 D	10.75X	-9.7	-12.2	25.0	15.8	-30.5	2.8	132.0
B	L&N HOUSING (04/11/86)	NY-LHC	4	2200	23.28	1.20	JUN 1.70	17.25	-1.4	-34.9	10.1	7.0	-25.9	7.3	38.0
*	F-LANDSING INST V (12/06/85)	OC-LANVS	2	5650	7.62	0.00	JUN -0.67 D	2.25	12.5	-35.7	0.0	0.0	-70.5	-8.8	12.7
*	LINCOLN NC FL PND (12/20/85)	AS-LRF	2	1998	13.36	1.48	JUN 1.33	12.00	3.2	-12.7	9.0	12.3	-10.2	10.0	24.0
*	F-LINPRO SPED PROP (08/22/86)	AS-LPO	1	1856	9.27	0.76	MAR 0.99	5.63	-2.2	-44.4	5.7	13.5	-39.3	10.7	10.4
A	LOMAS & NET MTG (09/26/86)	NY-LOM	3	11704	23.50	2.49	JUN 2.49	19.63	-6.0	-35.1	7.9	12.7	-16.5	10.6	229.7
*	LOMAS MTG CORP (09/13/85)	NY-LMC	3	8700	20.37	2.60	U JUN 2.37	23.25X	1.7	-11.8	9.8	11.2	14.1	11.6	202.3
*	MDC ASSET INVSTRS (01/09/87)	NY-MIR	3	9617	14.99	2.80	S JUN 2.94	17.88X	3.9	26.5	6.1	15.7	19.2	19.6	171.9
*	MEDICAL PROPS INC (05/22/87)	AS-MPP	1	2369	12.00	1.38	S JUN 0.88	8.13	-8.5	-32.3	9.2	17.0	-32.3	7.3	19.2
*	MEDITRUST # (10/25/85)	NY-MT	1	10721	15.22	1.80	U JUN 1.75 U	18.25	6.6	-0.5	10.4	9.9	11.5	195.7	19.2
*	MELLON PART MTG (02/22/85)	OC-MPMTS	4	8645	9.28	1.00	JUN 0.98 D	8.13	-7.1	-27.0	8.3	12.3	-12.4	10.6	70.2
B	MERRY LAND & INV (02/27/87)	OC-MERY	2	9073	6.28	0.80	JUN 0.99	8.25	-2.9	-12.2	8.3	9.7	31.4	15.8	74.9
B	MONY RL EST INV (11/07/86)	NY-MYM	2	10441	9.41	0.72	S AUG 0.69 S	8.00	3.2	-24.7	11.6	9.0	-15.0	7.3	83.5
A	MORTGAGE GROWTH (03/13/87)	AS-MTG	2	7705	15.93	1.60	S AUG 1.41 D	18.50X	-3.1	-15.9	13.1	8.6	16.1	8.9	142.5
C	MSA REALTY CORP (08/14/87)	AS-SSS	1	8516	8.81	1.00	JUN 0.17	10.00	1.3	-4.8	58.8	10.0	13.5	1.9	85.2
A	MTG & RLY TRUST (02/13/87)	NY-MRT	2	10490	16.88	1.88	JUN 1.71	18.13	-0.7	-19.4	10.6	10.4	7.4	10.1	190.1
C	MTG INVSTMTS PLUS (04/24/87)	AS-MIP	4	9020	8.89	0.80	JUN 0.65	7.63	-1.6	-1.6	11.7	10.5	-14.2	7.3	68.8
A	NEW PLAN RLY TR# (12/05/86)	NY-NPR	1	26595	6.59	0.86	APR 0.91 U	15.38X	-4.1	9.8	16.9	5.6	133.3	13.8	408.9
*	F-NOONEY RLY TR# (04/11/86)	OC-NRTI	1	867	17.01	0.80	JUN 0.69	14.00	0.0	-8.2	20.3	5.7	-17.7	4.1	12.1
B	ONE LIBERTY PR# (06/12/87)	AS-OLP	1	2203	14.20	1.32	JUN 1.44 D	13.50	-0.9	-16.9	9.4	9.8	-4.9	10.1	29.7
*	PAINEWEBER RES RLY (02/28/86)	AS-PWM	3	6058	8.63	1.00	S JUN 1.09	7.63X	-3.1	-17.6	7.0	13.1	-11.6	12.6	46.2
A	PENN REIT# (12/05/86)	AS-PEI	1	10412	10.52	1.52	MAY 23.13	1.16	10.6	14.2	6.6	119.8	15.5	188.3	
B	PITTS & WVA RR (08/09/85)	AS-PW	1	1510	6.07	0.56	JUN 0.56	6.00	0.0	-4.0	10.7	9.3	-1.2	9.2	9.1
B	PRESIDNTL RL-AS# (08/09/85)	AS-PDL-A	2	479	3.48	1.40	U JUN 2.00 U	13.88	0.9	4.7	6.9	10.1	298.7	57.5	6.6
B	PRESIDNTL RL-B# (08/09/85)	AS-PDL-B	2	2776	3.48	1.40	U JUN 2.00 U	13.88	0.9	14.4	6.9	10.1	298.7	57.5	38.5
A	PROPERTY CAPITAL (08/28/87)	AS-PCT	2	9515	13.21	1.68	JUL 2.71	23.38	-2.6	-3.1	8.6	7.2	76.9	20.5	222.4
A	PROPERTY TR AMER# (05/08/87)	OC-PTARS	1	5062	10.64	0.80	JUN 0.85 D	9.75	-3.7	4.0	11.5	8.2	-8.4	8.0	

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RANK	NAME(REVIEW DATE)	EXCH/ SYMBOL GROUP	SHARES (000)	BOOK VALUE	ANN DIV	-EARNINGS-- MON 12 MO	LAST PRICE	% CHANGE SEP 08	FROM- JAN 1	P/E RATIO	% ANN YIELD	% PR TO BK	RETURN ON BKX	MKT VAL MIL \$
C	STORAGE EQUITIES (03/14/86)	NY-SEQ	1	10481	15.47	1.40 JUN	1.11 13.13	-6.3	-13.2	11.8	10.7	-15.2	7.2	137.6
*	STRATEGIC MTG (03/28/86)	NY-STM	3	5465	19.00	2.44 JUN	2.43 21.63	1.8	-4.9	8.9	11.3	13.8	12.8	118.2
*	F-TRAML CROW REIT# (12/06/85)	NY-TCR	1	9075	12.78\$	1.40 JUN	1.16 D 11.00	-2.2	-26.1	9.5	12.7	-13.9	9.1	99.8
*	F-TRAVELERS REIT (06/13/86)	OC-TRATS	4	2523	9.48	0.92 JUN	1.03 7.38	1.7	-19.2	7.2	12.5	-22.2	10.9	18.6
*	F-TRAVELERS RLY INC (06/13/86)	OC-TRITS	4	2261	14.70	1.12 JUN	0.68 9.00	-1.4	-38.5	13.2	12.4	-38.8	4.6	20.3
*	TURNER EQUITY# (04/11/86)	AS-TEQ	1	5067	7.99	0.80 S JUN	0.69 D 6.25X	-11.0	-13.8	9.1	12.8	-21.8	8.6	31.7
*	UNIV HEALTH RLT# (01/23/87)	NY-UHT	1	8475	12.92	1.32 S JUN	1.24 9.75X	-0.4	-7.1	7.9	13.5	-24.5	9.6	82.6
B	USP RL EST INV# (06/12/87)	OC-USPTS	1	2500	8.50\$	1.10 U JUN	1.48 U 9.25	-7.5	8.8	6.3	11.9	8.8	17.4	23.1
A	UTD DOMIN RLT# (05/08/87)	OC-UDRT	1	5944	11.39	1.00 JUN	1.26 18.50	0.0	9.6	14.7	5.4	62.4	11.1	110.0
*	F-VMS HOTEL INVSTMT (01/24/86)	AS-VHT	4	9863	8.81	0.90 JUN	0.81 7.38	-3.3	0.0	9.1	12.2	-16.3	9.2	72.7
*	VMS S/T INCOME (01/11/85)	AS-VST	3	6917	9.28	1.16 JUN	1.32 10.13	2.5	19.1	7.7	11.5	9.1	14.2	70.0
*	VMS STRATGIC LAND (05/22/87)	OC-VLANS	4	11994	8.99	1.20 JUN	1.08 9.88	1.3	-1.3	9.1	12.2	9.8	12.0	118.4
A	WASH RE (WRIT) # (05/08/87)	AS-WRE	1	9182	8.92	1.28 JUN	1.31 U 23.63	1.1	5.6	18.0	5.4	164.9	14.7	216.9
*	F-WEBB INV PROP # (08/23/85)	AS-DWP.A	1	2224	8.97	0.45 JUN	0.64 U 5.88	-4.1	-23.0	9.2	7.7	-34.5	7.1	13.1
*	WEDGESTONE RLT# (05/08/87)	NY-WDG	3	5585	9.11	1.80 S JUN	1.70 D 14.38X	-1.5	-8.0	8.5	12.5	57.8	18.7	80.3
B	WEINGARTEN RLT# (05/08/87)	NY-WRI	1	13848	13.03	1.60 JUN	2.01 U 25.75	1.0	20.5	12.8	6.2	97.6	15.4	356.6
B	WELLS FARGO MGE (11/07/86)	NY-WFM	2	6688	19.78\$	2.00 JUN	1.52 17.25	-2.1	-38.9	11.3	11.6	-12.8	7.7	115.4
A	WESTERN INV RE# (06/12/87)	AS-WIR	1	11969	13.09	1.18 JUN	1.26 U 18.00	0.0	4.9	14.3	6.6	37.5	9.6	215.4

COMPANIES AND BUSINESS TRUSTS

C	ABRAMS INDS INC	OC-ABRI	9	1787	8.80	0.24 S JUL	0.58 U 7.50	-1.6	0.0	12.9	3.2	-14.8	6.6	13.4
*	LP-AMER INCOME PROPS	AS-IPS	7	2000	18.50	0.96 I ---	0.00 19.88	-0.6	-0.6	0.0	4.8	7.4	0.0	39.8
*	LP-AMER INDS MTG 84 (01/24/86)	OC-AMAZ	8	10000	19.44	1.50 JUN	1.85 D 17.63	-2.1	-11.9	9.5	8.5	-9.3	9.5	176.3
C	AMER PACESETTER	PS-APCP	9	1465	13.85	0.50 JUN	2.58 14.00	-3.4	2.8	5.4	3.6	1.1	18.6	20.5
B	LP-AMER RE PARTNERS# (07/24/87)	NY-ACP	7	14850	17.47	2.00 DEC	1.90 16.13	-0.8	-3.0	8.5	12.4	-7.7	10.9	239.5
B	AMERIBANC INV GP (08/28/87)	OC-AINVS	9	6125	8.22	0.20 S JUN	1.40 13.25	3.9	60.6	9.5	1.5	61.2	17.0	81.2
C	AMREP CORP (09/12/86)	NY-AXR	6	6595	9.18	0.00 JUL	0.68 D 15.63	6.8	22.5	23.0	0.0	70.2	7.4	103.0
C	ANGELES CORP	AS-ANG	10	3481	8.17	0.00 JUN	0.91 U 10.38	-1.2	27.7	11.4	0.0	27.0	11.1	36.1
*	LP-ANGELES FINC PTRS (01/24/86)	AS-ANF	8	1051	18.20	1.79 D JUN	1.83 S 16.75	-1.5	-1.5	9.2	10.7	-8.0	10.1	17.6
*	LP-ANGELL CARE MLP# (01/23/87)	NY-ACR	7	3550	14.57	1.52 S JUN	1.44 12.75	-1.9	-9.7	8.9	11.9	-12.5	9.9	45.3
C	ASBESTEC INDS INC (09/25/87)	OC-ASBS	12	6211	0.98	0.00 JUN	-0.04 4.38	-16.7	-53.1	0.0	0.0	346.4	-4.1	27.2
C	BAY FINCL CORP (09/11/87)	NY-BAY	7	3354	15.94\$	0.20 AUG	-3.29 D 22.38	0.6	-8.7	0.0	0.9	40.4	-20.6	75.0
C	BEI HOLDINGS	OC-BEIH	9	10007	4.19	0.24 S JUL	1.39 U 8.13	-7.1	-15.6	5.8	3.0	93.9	33.2	81.3
D	BRITISH LAND AMER (12/06/85)	NY-BLA	7	17978	2.63	0.00 JUN	-0.21 3.13	0.0	-3.8	0.0	0.0	18.8	-8.0	56.2
*	LP-BURGER KING INV (02/28/86)	NY-BKP	7	4635	18.46	1.88 JUN	1.37 16.50	-2.2	-19.5	12.0	11.4	-10.6	7.4	76.5
*	LP-CAL FED INC PTNRS (12/19/86)	NY-CPI	7	12500	9.29	1.00 JUN	0.28 8.00	-1.5	-24.7	28.6	12.5	-13.9	3.0	100.0
C	CALPROP CORP (11/21/86)	AS-CPP	6	3447	8.71	0.00 JUN	0.62 7.88	-1.6	-1.6	12.7	0.0	-9.6	7.1	27.1
C	CALTON INC (06/27/86)	NY-CN	6	19180	3.67	0.00 MAY	0.42 3.63	-12.1	28.9	8.6	0.0	-1.2	11.4	69.5
*	CASTLE & COOKE	NY-CKE	9	51240	10.00	0.00 JUN	0.41 23.88	-1.5	24.0	58.2	0.0	138.8	4.1	1223.4
*	CENTENNIAL GROUP (07/24/87)	AS-CEQ	9	26641	5.61	0.00 ---	0.00 5.63	-6.3	-18.2	0.0	0.0	0.3	0.0	149.9
A	CENTEX CORP (08/28/87)	NY-CTX	5	16657	20.30	0.25 JUN	2.02 25.38	-4.2	-18.8	12.6	1.0	25.0	10.0	422.7
C	CHAMPION ENTPRS (10/10/86)	AS-CHB	11	7263	7.28	0.00 MAY	-0.10 7.13	-5.0	-15.6	0.0	0.0	-2.1	-1.4	51.7
D	CHRISTIANA COS (12/06/85)	NY-CST	6	2851	7.48	0.00 JUN	-1.50 D 6.00	-4.0	17.1	0.0	0.0	-19.8	-20.1	17.1
B	CLAYTON HOMES (10/10/86)	NY-CMH	11	12870	4.23	0.00 JUN	0.79 12.50	0.0	28.9	15.8	0.0	195.5	18.7	160.9
*	LP-CMNWLTH MTG AM-A (11/21/86)	NY-CMA	8	35000	2.08	1.00 S MAR	0.33 8.00	4.9	-17.9	24.2	12.5	284.6	15.9	280.0
*	COMMODORE ENV SVC (02/28/86)	OC-COES	12	45004	0.39	0.00 JUN	0.14 6.25	-16.7	-16.7	44.6	0.0	1502.6	35.9	281.3
C	COMMONWLTH MTG CO (10/24/86)	OC-CMCC	8	6220	3.77	0.00 JUL	0.53 D 5.25	-19.2	-38.2	9.9	0.0	39.3	14.1	32.7
B	CONGRESS ST PROPS	OC-CSTP	9	1262	13.04	0.00 MAY	1.19 8.00	-13.5	-20.0	6.7	0.0	-38.7	9.1	10.1
C	CONTL HMS HOLDING (05/22/87)	OC-CONH	6	3880	5.69	0.00 AUG	1.45 D 7.00	-6.7	-39.1	4.8	0.0	23.0	25.5	27.2
C	CONTROL RES INDS (09/25/87)	OC-CRIX	12	4946	6.55	0.00 JUN	-0.06 16.75	-2.9	-10.7	0.0	0.0	155.7	-0.9	82.8
B	COUNTRYWIDE CRDIT (01/09/87)	NY-CCR	8	15798	5.97	0.24 D AUG	1.38 D 9.13X	-16.5	-24.7	6.6	2.6	52.8	23.1	144.2
E	COVINGTON TECH	OC-COVT	6	13902	0.51	0.00 JUN	-0.03 0.88	0.0	27.2	0.0	0.0	71.6	-5.9	12.2
B	LP-CRI INGS MTG INV (07/25/86)	NY-CRM	8	9100	17.87	1.93 MAR	2.35 19.38	-3.1	-16.7	8.2	10.0	8.4	13.2	176.3
D	DELTONA CORP	NY-DLT	6	5574	4.39	0.00 JUN	-0.12 5.38	4.9	4.9	0.0	0.0	22.4	-2.7	30.0
*	LP-EMERALD HOMES LP (05/22/87)	NY-EHP	6	5225	5.16	1.20 S JUN	1.14 8.75	0.0	-12.5	7.7	13.7	69.6	22.1	45.7
*	LP-EQK GRN ACRES LP# (08/22/86)	NY-EGA	7	10173	8.74	1.12 U JUN	1.08 10.38	-3.5	-1.2	9.6	10.8	18.7	12.4	105.5
*	LP-EQUITABLE RE SC # (01/23/87)	NY-EQM	7	10700	8.93	1.00 S JUN	0.68 9.00	0.0	-11.1	13.2	11.1	0.8	7.6	96.3
A	EQUITEC FNCL GP (09/11/87)	NY-EFG	10	4897	6.27	0.16 S JUL	1.26 U 8.63	-2.8	30.2	6.8	1.9	37.6	20.1	42.2
B	FAIRFIELD COMM (07/25/86)	NY-FCI	6	10643	9.56	0.00 JUN	-1.81 9.38	-3.8	15.4	0.0	0.0	-1.9	-18.9	99.8
C	FARRAGUT MTG CO (12/19/86)	OC-FARR	8	5150	1.01	1.00 JUN	-0.51 5.00	11.1	-23.1	0.0	20.0	395.0	-50.5	25.8
C	FED NATL MTG (06/14/85)	NY-FNM	8	81847	23.42	0.32 JUN	2.84 42.63	2.4	4.6	15.0	0.8	82.0	12.1	3488.7
*	LP-FINE HMS INTRNTNL (07/24/87)	NY-FHI	10	7500	6.43	0.00 MAR	0.48 17.50	-3.4	-2.8	36.5	0.0	172.2	7.5	131.3
B	FIRST CAROLINA	OC-FCAR	9	797	30.45	0.50 JUN	2.14 33.00	0.0	11.9	15.4	1.5	8.4	7.0	26.3
A	FLEETWOOD ENTER (10/10/86)	NY-FLE	11	23330	13.56	0.60 S JUL	1.88 U 27.25	2.3	7.4	14.5	2.2	101.0	13.9	635.7
B	FOREST CITY-A# (06/26/87)	AS-FCE.A	7	4056	21.69	0.34 APR	2.75 U 38.25	3.0	27.0	13.9	0.9	76.3	12.7	155.1
B	FOREST CITY-B# (06/26/87)	AS-FCE.B	7	3893	21.69	0.22 APR	2.75 U 38.25	-1.3	22.9	13.9	0.6	76.3	12.7	148.9
*	LP-FORUM RE PFD UN# (01/23/87)	AS-FRL	7	5750	10.68	1.35 S MAR	0.04 11.00	0.1	-13.7	275.0	12.3	3.0	0.4	63.3
C	FPA CORP	AS-FPO	6	3995	11.99	0.00 MAR	-0.87 9.50	1.3	-5.0	0.0	0.0	-20.8	-7.3	38.0
D	GEMCRAFT INC (05/23/86)	OC-GEMH	6	5028	2.11	0.00 JUN	-1.07 2.88	-4.2	-58.9	0.0	0.0	36.3	-50.7	14.5
B	GENERAL DEVLPTM (08/08/86)	NY-GDV	5	8947	14.09	0.00 JUN	2.61 17.38	-6.7	-0.7	6.7	0.0	23.3	18.5	155.5
C	GENERAL HOMES (04/10/87)	NY-GHO	5	15009	9.59	0.00 JUN	-0.61 5.13	-8.9	-29.3	0.0	0.0	-46.6	-6.4	76.9
A	LP-GOULD INVSTRS LP (01/09/87)	AS-GLP	7	1339	6.63	0.00 JUN	-0.04 49.13	-0.8	22.8	0.0	0.0	641.0	-0.6	65.8
B	GRUBB & ELLIS	NY-GBE	10	15621	5.09	0.00 JUN	-0.14 6.00	0.0	17.1	0.0	0.0	17.9	-2.8	93.7
B	HALLWOOD GROUP (02/13/87)	NY-HWG	9	4559	18.45	1.12 S APR	3.82 27.25	1.9	45.3	7.1	4.1	47.7	20.7	124.2</

September 25, 1987

RANK	NAME(REVIEW DATE)	EXCH/ SYMBOL GROUP	SHARES (000)	BOOK VALUE	ANN DIV	EARNINGS-- MON 12 MO	LAST PRICE	% CHANGE FROM SEP 08	P/E RATIO	% ANNUAL YIELD	% PR TO BK	RETURN ON BK	MKT VAL \$ MIL		
C	LANDMARK AMER	(05/22/87) AS-LCO	7	4926	2.37	0.00	JUN 1.28	7.50	-6.3	50.0	5.9	0.0	216.5	36.9	
C	LANDMARK LAND	(05/22/87) AS-LML	9	7976	7.02	0.40	S JUN -1.60	20.38	3.2	14.0	0.0	0.0	190.2	162.5	
C	LEISURE+TECH	(08/14/87) AS-LVX	6	3793	2.46	0.00	JUN 0.34	7.75	0.0	47.6	22.8	0.0	215.0	13.8	
C	LENNAR CORP	(03/17/87) NY-LNN	5	8640	17.92	0.24	MAY 1.98	23.25	5.7	25.7	11.7	1.0	29.7	11.0	200.9
C	LEVITT CORP	(03/17/87) AS-LVT	6	3390	7.03	0.00	JUN 0.72	8.13	1.6	-18.8	11.3	0.0	15.6	10.2	27.5
*	LOAN AMER FNCL-B	(01/25/85) OC-LAPCB	8	1987	6.83	0.00	JUN 0.76	9.50	-13.6	-2.6	12.5	0.0	39.1	11.1	18.9
A	LOMAS & NET FINC	(09/26/86) NY-LNF	8	28554	9.45	1.40	JUN 1.49	24.63	-5.3	-15.8	16.5	5.7	160.6	15.8	703.1
C	LVI GROUP INC	(09/25/87) NY-LVI	12	20124	1.10	0.00	JUN 0.20	7.00	-1.8	100.0	35.0	0.0	536.4	18.2	140.0
C	N/I SCHOTTSTN HNS	(10/24/86) OC-MHO	6	5965	1.99	0.00	JUN 0.77	4.75	-26.9	-19.1	6.2	0.0	138.7	18.7	28.3
C	MAJOR REALTY	(08/14/87) OC-MAJR	6	7274	1.42	0.00	JUN 1.47	13.25	-8.6	39.5	9.0	0.0	831.1	10.6	96.5
A	MDC HOLDINGS	(04/10/87) NY-MDC	5	19919	11.18	0.40	JUN 1.44	9.38X	-6.4	-29.2	6.5	4.3	-16.1	12.9	186.1
B	MISSION WEST PR	AS-MSW	6	1542	11.64	0.32	MAY 2.65	10.13	0.0	-9.0	3.8	3.2	-13.0	22.8	15.6
C	NATIONAL ENTERPRI	(10/10/86) NY-NEI	11	7133	2.69	0.00	JUN 0.19	3.25	8.3	-23.5	17.1	0.0	20.8	7.1	23.2
C	NE MORTGAGE CO	(05/23/86) AS-NM	8	5643	3.03	0.20	JUN 0.69	6.50	-3.7	-10.6	9.4	3.1	114.5	22.8	36.0
* LP-NEWMALL INV PROP	(05/09/86) NY-NIP	7	4440	3.10X	0.40	JUN 4.73	5.63	-8.2	5.1	1.2	7.1	81.5	152.6	25.7	
A	LP-NEWMALL LAND	(04/10/87) NY-NHL	9	20720	6.50X	0.80	JUN 1.90	37.13X	-0.5	17.9	19.5	2.2	471.2	29.2	769.2
B	LP-NYMAN L.P.	(03/21/87) AS-NVR	5	24199	3.11	0.60	D JUN 0.55	6.50	-7.1	-32.5	11.8	9.2	109.0	10.6	96.5
A	OAKWOOD HOMES	(11/07/86) NY-OH	11	5733	10.06	0.08	JUN 1.07	12.88	-1.0	-8.8	12.0	0.6	28.0	10.6	73.8
C	ORIOLE HOMES-A	(04/10/87) AS-OHC-A	6	1955	9.85	0.25	JUN 1.14	10.75	1.2	56.4	9.4	2.3	9.1	11.6	21.0
C	ORIOLE HOMES-B	(04/10/87) AS-OHC-B	6	1970	9.85	0.30	JUN 1.14	10.25	-3.5	57.7	9.0	2.9	4.1	11.1	20.2
C	PARKWAY COMPANY	(10/25/85) OC-PKWY	9	1678	24.41	0.80	MAR 2.86	21.25	-3.4	4.3	7.4	3.8	-12.9	11.7	35.7
* PATTEN CORP	(01/09/87) NY-PAT	6	17916	4.16	0.02	S JUN 0.71	9.13X	-5.0	-14.5	12.9	0.2	119.4	17.1	163.5	
* PERINI INV PFD	(07/10/87) AS-PNPF	7	1650	10.00	1.10	S ---	0.00	12.63X	5.3	4.1	0.0	8.7	26.3	0.0	62.8
B	PERINI INV PFF	(07/10/87) NY-PNPF	7	3340	-2.78X	0.60	JUN 1.08	18.63	0.7	30.7	17.2	3.2	0.0	0.0	20.2
* LP-PRIME FINCL PRTR	(08/28/87) AS-PPF	10	5600	0.48	0.00	JAN 0.30	5.25	0.0	31.3	17.5	0.0	993.8	62.5	29.4	
* LP-PRIME MTR INNS LP	(02/27/87) NY-PPM	7	4000	18.25	2.00	MAR 0.88	17.13	-4.9	-18.0	19.5	11.7	-6.2	48.6	68.5	
* PRINCEVILLE DEV	(01/25/85) OC-PVDC	6	9386	4.31	0.00	MAY -0.26	10.63	-3.4	32.8	0.0	0.0	0.0	146.5	98.4	
B	PULTE HOME CORP	(08/08/86) NY-PUL	5	23746	8.33	0.12	JUN 1.06	12.13	3.2	0.0	11.4	1.0	45.6	12.7	287.9
D	PUNTA GORDA	AS-PGA	6	2905	-1.05	0.00	JUN -0.82	2.38	0.0	18.8	0.0	0.0	0.0	0.0	6.9
D	RADICE CORP	(07/24/87) NY-RI	6	5846	3.42	0.00	MAR -3.48	4.25	-10.5	-54.1	0.0	0.0	24.3	-101.8	24.8
C	READING CO	(07/10/87) OC-RDCC	7	4955	9.75	0.00	JUN 0.42	15.75	-3.1	0.5	37.5	0.0	61.5	4.3	78.0
C	REALAMERICA CO	OC-RACO	7	3497	3.22	0.00	NOV 0.04	3.50	0.0	40.0	87.5	0.0	8.7	1.2	12.2
* LP-RED LIONS INNS	(05/22/87) AS-RD	7	4940	18.17	2.00	S JUN 1.97	17.00	3.0	-15.0	8.6	11.8	-4.6	10.8	8.4	103.8
B	REIDMAN INDUSTRIES	(10/10/86) NY-RE	11	9755	7.53	0.36	JUN 0.64	10.63	-1.2	21.4	16.6	3.4	41.1	11.8	101.8
* LP-RETIRED LTV MGT	(07/25/86) OC-RLVZ	8	1264	22.77	2.16	JUN 2.17	21.75	-1.1	-5.4	10.0	9.9	-4.5	9.5	27.5	
* RIDGEWOOD PROPS	(02/28/86) OC-RWP	7	996	34.77	0.00	MAY 6.73	31.00	0.8	24.0	4.6	0.0	-10.8	19.4	30.9	
C	ROCKWOOD NATL	(08/23/85) PS-RNC	6	9743	2.80	0.00	JUN 0.68	3.50	-6.7	7.7	5.1	0.0	25.0	24.3	34.1
A	ROUSE CO	(08/26/87) OC-ROUS	7	47615	4.91X	0.47	JUN 0.62	25.25	5.2	20.7	40.7	1.9	414.3	12.6	1202.3
C	RYLAND GROUP	(03/27/87) NY-RYL	5	12643	9.37	0.40	JUN 2.62	21.88	-5.4	10.1	8.3	1.8	133.5	28.0	276.6
* SANTA FE SO PAC	(07/10/87) NY-SFL	9	157293	32.68	1.00	JUN -0.64	56.75	12.1	91.6	0.0	1.8	73.7	-2.0	8926.4	
C	SAUL (BP) REIT	(05/09/86) NY-SBS	7	5483	8.53X	0.20	JUN -0.11	18.38X	0.3	11.4	0.0	1.1	115.4	4.4	101.8
* SCHULT HOMES CORP	OC-SHCO	11	3335	1.39	0.00	JUN 0.16	2.75	10.0	-45.0	17.2	0.0	97.8	11.5	9.2	
C	SECURITY CAPITAL	(02/13/87) AS-SC	8	5572	8.12	0.00	JUN -3.25	4.63	0.0	0.0	0.0	0.0	-43.0	-46.0	25.8
* LP-SHOPCO LAUREL CTR	(05/22/87) AS-SLC	7	4660	9.30	1.00	---	0.00	8.75	0.0	-12.5	0.0	11.4	0.0	0.0	40.8
C	SKYLINE CORP	(10/10/86) NY-SKL	11	11217	12.12	0.48	AUG 1.12	U 17.88X	4.3	22.2	16.0	2.7	47.5	9.2	200.5
D	SO ATLANTIC FIN	OC-SOAF	7	6148	5.69	0.00	JUN 0.56	9.25	2.8	19.4	16.5	0.0	62.6	9.8	56.9
D	SOUTHLAND FINCL	(07/24/87) OC-SFLN	7	16772	6.98	0.00	JUN -3.99	D 4.88	-13.3	-63.9	0.0	0.0	-30.2	-57.2	8.1
C	SOUTHWARK CORP	(12/05/86) NY-SM	9	45803	10.51	0.24	JUN 1.09	9.50	-2.6	13.4	8.7	2.5	-9.6	10.4	435.1
D	LP-SOUTHWEST RLTY	(02/28/86) AS-SWL	7	3442	7.43	0.00	JUN -0.09	D 3.13	-3.8	0.0	0.0	0.0	-57.9	-1.2	10.8
C	STARRETT HOUSING	AS-SHO	6	5918	4.65	0.00	JUN 0.24	15.00	-7.7	0.8	62.5	0.0	72.7X	5.2	88.8
B	LP-STD PACIFIC L.P.	(08/08/86) NY-SPP	5	26916	5.99	1.20	JUN 1.34	11.38	3.4	-16.5	8.5	10.5	28.2	306.6	12.7
C	SUNLITE INC	OC-SNLT	9	2766	5.55	0.00	MAR -0.01	4.13	-2.9	50.0	0.0	0.0	-25.7	-0.2	11.4
* SUNSTATS CORP	OC-SUST	9	403	42.47	0.00	JUN 0.34	U 20.25	-2.4	70.5	59.6	0.0	0.0	-52.3	0.8	8.2
C	TIERCO GP INC	OC-TIER	7	2126	8.20	0.00	JUN -1.64	D 8.00	-4.0	-7.7	0.0	0.0	-26.8	-20.0	12.8
C	TOLL BROS	(07/25/86) NY-TOL	5	29994	1.28	0.00	JUL 0.54	U 9.63	-4.9	68.6	17.8	0.0	652.0	42.2	288.7
B	LP-UDC-UNIVRSL DEV	(08/08/86) NY-UDC	6	10652	7.93	2.20	JUN 3.04	17.25X	-3.1	-15.3	5.7	12.8	117.5	38.3	183.7
B	UNICORP AMER	(07/10/87) AS-UAC	6	10794	12.27X	0.60	JUN 0.40	10.63X	-5.3	-12.4	19.7	5.6	-13.4	4.4	114.7
C	UNION VALLEY CORP	(09/26/86) AS-UVC	6	3967	3.50	0.00	JUN 1.07	8.25	-18.5	29.4	7.7	0.0	135.7	13.7	86.2
C	US HOME CORP	(04/10/87) NY-UH	5	39895	5.62	0.00	JUN 0.29	4.75	-2.6	-15.6	16.4	0.0	-15.5	5.2	189.5
* LP-US REALTY TRNRS	(09/26/86) OC-USRLZ	7	1222	19.45	2.26	JUN 2.48	18.50	-8.6	-17.8	7.5	12.2	-4.9	12.8	22.6	
* US SHELTER CORP	OC-USSS	10	9446	2.26	0.00	JUN -0.66	D 2.13	0.0	6.3	0.0	0.0	-6.0	-29.2	20.1	
* LP-VHS MORTGAGE INV	(01/24/86) OC-VHLZ	8	7629	8.91	1.08	S JUN 1.21	9.13	0.0	-6.4	7.5	11.8	2.4	13.6	69.6	
C	VYQUEST INC	AS-VY	11	3597	7.77	0.00	MAY -0.50	3.88	-20.5	-29.5	0.0	0.0	-50.1	-6.4	13.9
C	WASHINGTON CORP	PS-TWC-X	6	1987	4.14	0.00	MAY -0.43	4.50	-2.9	7.7	0.0	0.0	8.7	-10.4	8.9
* WASHINGTON HOME	(11/22/85) NY-WHI	6	4528	2.39	0.16	APR 1.71	14.00	21.7	75.0	8.2	1.1	159.7	17.7	66.2	
C	WEBB (DEL E) CORP	(06/14/85) NY-WBB	9	8029	19.99	0.20	JUN 2.46	20.00	-10.6	-10.1	8.1	1.0	0.1	12.3	160.6
L	WESPAC INVSTR	(01/10/86) OC-WESPS	1	5968	0.88	0.00	MAY -1.32	2.50	-9.1	-4.8	0.0	0.0	184.1	-150.0	14.9
* LP-WINTHROP INSG MTS	AS-WMI	8	3868	13.74	1.32	D JUN 1.47	12.88	5.1	-19.5	8.8	10.3	-6.3	10.7	49.8	12.7
B	WRITER CORP	(04/10/87) OC-WRTC	6	4118	8.03	0.00	JUN -0.79	3.75	-11.8	-40.0	0.0	0.0	-53.3	8.8	15.7
B	ZIMMER CORP	AS-ZIM	11	4666	2.38	0.00	JUN -1.07	U 3.75	0.0	-6.3	0.0	0.0	57.6	-45.0	17.7

COMPARATIVE REALTY STOCK GROUP AVERAGE 09/22/87

GROUP NUMBER & NAME	DIV	NON-DIV	TOTAL	SHARE (000)	BOOK VALUE	ANNUAL DIV	EARN ANN	LAST PRICE	% CHANGE FROM SEP 08	P/E RATIO	% ANNUAL YIELD	% PR TO BK	RETURN ON BK	MARKET VAL.(000)	
1 PROPERTY REITS	55	3	58	6851	11.00	1.13	1.07	14.56	-0.3	-3.0	13.6	7.7	32.4	9.7	6354.
2 PROP & MTC COMB REITS	22	3	25	6135	12.48	1.39	0.95	12.83	-0.8	-10.4	13.5	10.9	2.8	7.6	2019.
3 MORTGAGE REITS	15	3	18	6618	13.70	1.62	1.57	13.63	-1.4	-9.6	8.7	11.9	-0.5	11.4	1607.
4 PARTICIPATING MTC REITS	13	0	13	8595	11.36	1.06	1.05	9.88	-1.1	-20.0	4.4	10.7	-13.0	9.2	1348.0
5 MAJOR HOMEBUILDERS	8	4	12	21130	9.39	0.28	1.26	13.13	-2.6	4.7	10.5	2.2	39.7	13.4	2839.1
6 OTHER BLDG/DEVELOPERS	7	24	31	6879	5.38	0.14	0.33	8.12	-3.0	3.4	24.6	1.8	51.0	6.1	1764.3
7 INCOME PROP BLDG/OWNR	24	12	36	7325	11.47	0.80	0.88	15.89	-0.8	-0.0	18.1	5.0	38.4	7.6	4115.1
8 MORTGAGE BANKER/FINANCE	13	4	17	13802	10.25	0.84	1.06	13.53	-2.2	-8.6	12.7	6.2	31.9	10.4	3452.2
9 DIVERSIFIED RYTHOLDING	13	5	18	20711	15.18	0.36	1.21	19.18	-0.1	23.3	15.9	1.9	26.4	7.9	12609.0
10 RLTY SVCS/SYNDICATORS	1	7	8	7842	5.82	0.02	0.58	10.33	-1.6	20.2	17.8	0.2	77.5	10.0	608.0
11 MANUFACTURED HOUSING	4	6	10	8890	6.90	0.15	0.42	10.19	0.2	2.1	24.4	1.5	47.6	12.5	476.6
12 ASBESTOS ABANDONM CO	0	5	5	20818	7.76	0.00	0.07	9.55	-5.7	-13.3	129.1	0.0	246.0	0.7	904.9
1 LIQUIDATING COMPANIES	0	1	1	5968	0.88	0.00	-1.32	2.50	-9.1	-4.8	NC	NC	184.1	NC	14.9
P PREFERRED STOCKS	1	0	1	1650	10.00	1.10	0.00	12.63	5.3	4.1	NC	NC	26.3	NC	20.8
OVERALL AVERAGE			253	9463	10.41	0.81	0.93	13.26	-1.1	-1.7	14.3	6.1	27.3	7.7	40931.8
DOW JONES INDUSTRIALS							126.23	2568.05	0.9	35.4	20.3	2.7			
STANDARD & POOR'S 500							14.42	319.50	1.9	31.9	22.2	2.8			
DOW JONES UTILITIES							18.13	198.44	-0.7	-3.7	10.9	8.0			

REALTY STOCK RANKINGS

REALTY STOCK REVIEW has developed its exclusive Rankings of real estate stocks to indicate how each stock stands fundamentally in terms of its past, present and future. Rankings from "A" (highest) to "F" (lowest), shown in the first column on the statistical tables, are assigned based on:

(1) Earnings and dividend growth and stability over the past five years (the past - roughly 40%); Companies with over two but less than five years of operations score lower here, hence have lower overall Rank.

(2) Financial measures including leverage and liquidity and match of asset/liability maturities in the balance sheet (the present - about 40%); and

(3) Exposure to outside economic and competitive forces and management's ability to control its business destiny thru leverage and planning (our subjective estimate of the future - 20%).

Being rooted in historical factual analysis, Rankings are not based upon current price and thus are not intended as recommendations. A highly-Ranked stock may become overpriced or underpriced during trading, and vice